

**RECORDING REQUESTED BY AND
WHEN RECORDED MAIL TO:**

First American Title Insurance Company
1737 N. First Street, Suite 100
San Jose, California 95112
Attention: _____

**AMENDMENT TO DECLARATION OF COVENANTS,
CONDITIONS AND RESTRICTIONS FOR FAIR OAKS BUSINESS PARK**

This Amendment to Declaration of Covenants, Conditions and Restrictions for Fair Oaks Business Park (this "Amendment") is made and entered into as of _____, 2004 by KOLLREAL, a California partnership ("Kollreal"), GOLDEN GATE COMMERCIAL COMPANY, A CALIFORNIA LIMITED PARTNERSHIP ("GGCC"), SATO AMERICA, INC., a California corporation ("Sato America") and the other parties who are signatories hereto ("Additional Owners") with reference to the following facts:

A. On or about November 6, 1975, Kollreal, as the owner of that certain real property ("Fair Oaks Business Park") located in Sunnyvale, Santa Clara County, California described in Exhibit A hereto, executed that certain Declaration of Covenants, Conditions and Restrictions for Fair Oaks Business Park (as and if amended, the "Declaration") establishing a common plan for the ownership and development of all lots within and comprising Fair Oaks Business Park, which Declaration was recorded on December 18, 1975 at Book B781, Page 165 of the Official Records of Santa Clara County, California as Instrument No. 5179607.

B. Kollreal, GGCC, Sato America and Additional Owners (hereinafter collectively, the "Amending Owners") are the owners of lots within Fair Oaks Business Park. Collectively the Amending Owners own more than seventy-five percent (75%) of Fair Oaks Business Park based upon the number of square feet of the lots so owned by them in comparison to the total number of square feet of all lots within Fair Oaks Business Park.

C. GGCC owns those lots within Fair Oaks Business Park which are described in Exhibit B hereto (the "GGCC Lots"), and Sato America owns those lots within Fair Oaks Business Park which are described in Exhibit C hereto (the "Sato America Lots"). GGCC has entered into an agreement with Classic Communities, Inc., a California corporation, to sell all of the GGCC Lots to Classic Communities, Inc. or to a party to whom Classic Communities, Inc. assigns its right to acquire the GGCC Lots, upon which houses and other residential improvements will be constructed, and Sato America has entered into an agreement with Classic Communities, Inc., a California corporation, to sell all of the Sato America Lots to Classic Communities, Inc. or to a party to whom Classic Communities, Inc. assigns its right to acquire

the Sato America Lots, upon which houses and other residential improvements will be constructed.

D. The proposed residential development of the GGCC Lots and the Sato America Lots would conflict with several provisions of the Declaration, and Classic Communities, Inc. has requested that the owners of the lots comprising Fair Oaks Business Park amend the Declaration to remove the GGCC Lots and the Sato America Lots from the property covered and restricted by the Declaration, and the Amending Owners have agreed to so do on the terms and conditions set forth herein.

NOW, THEREFORE, pursuant to the provisions of Article VI of the Declaration, the Amending Owners hereby agree as follows:

1. Effective as of the date of the recordation of this Amendment in the Official Records of Santa Clara County, California, and subject to the provisions of Section 2 of this Amendment:

(a) The definitions of "Fair Oaks Business Park" and "Subject Property" set forth in the Declaration are amended to exclude both the GGCC Lots and the Sato America Lots from such definitions;

(b) The legal description of Fair Oaks Business Park which is attached to the Declaration as Exhibit A is amended to exclude both the GGCC Lots and the Sato America Lots by substituting in the place and stead of said Exhibit A the legal description attached hereto as Exhibit D;

(c) The GGCC Lots and the Sato America Lots shall no longer be restricted or governed by, or subject to, the Declaration or any of the covenants, conditions or restrictions set forth in the Declaration; and

(d) The GGCC Lots and the Sato America Lots shall no longer have any rights under or the benefit of the Declaration or any of any of the covenants, conditions or restrictions set forth in the Declaration, and no owner of the GGCC Lots, the Sato America Lots, or any portion or portions thereof shall have any right to enforce the Declaration or otherwise require any of the lots within Fair Oaks Business Park which remain subject to and burdened by the Declaration to comply with the Declaration;

it being the intention of the Amending Owners that the Declaration be interpreted as if the GGCC Lots and the Sato America Lots are no longer a part of Fair Oaks Business Park or subject to the Declaration.

2. Notwithstanding the provisions of Section 1 of the Declaration, if no residential improvements have been constructed on any of the GGCC Lots or any of the Sato America Lots within two (2) years after the date on which this Amendment is recorded in the Official Records of Santa Clara County, California, Kollreal shall have the right to record a notice of such fact in the Official Records of Santa Clara County, California, and upon the recordation of such notice

this Amendment shall become null and void and the GGCC Lots and the Sato America Lots shall once again be and become subject to and burdened by the Declaration.

3. Irrespective of the place of execution and/or delivery, this Amendment shall be governed by, and shall be construed in accordance with, the laws of the State of California.

4. This Amendment may be executed in any number of counterparts and by different signatories hereto in separate counterparts, each of which when so executed shall be deemed to be an original and all of which taken together shall constitute one and the same instrument, for the same effect as if all signatories hereto had signed the same signature page. Any signature page of this Amendment may be detached from any counterpart of this Amendment without impairing the legal effect of any signatures thereon and may be attached to another counterpart of this Amendment identical in form hereto but having attached to it one or more additional signature pages.

5. Except as expressly herein modified or clarified, the Declaration shall remain in full force and effect.

6. The terms hereof shall be applied and interpreted together with the terms of the Declaration in a harmonious manner, with this Amendment clarifying and making more specific the rights and burdens created by the Declaration. By this Amendment, the Amending Owners intend to restrict the covenants, conditions and restrictions created by the Declaration to the portion of Fair Oaks Business Park which excludes the GGCC Lots and the Sato America Lots, thereby eliminating from the GGCC Lots and the Sato America Lots any cloud on title that the Declaration might otherwise create.

[signatures on following page]

IN WITNESS WHEREOF, the Amending Owners hereto have executed this Amendment as of the day and year first above written.

KOLLREAL,
a California partnership

By: Washcop Limited Partnership,
a Delaware limited partnership

By: Pacific Resources Associates, LLC,
a Delaware limited liability company
Its: General Partner

By: [Signature]
Name: Stacy L. Reed
Its: Vice President

GOLDEN GATE COMMERCIAL
COMPANY,
A California Limited Partnership

By: [Signature]
Name: Ron Labetich
Its: General Partner

By: [Signature]
Name: Mike Brand
Its: General Partner

By: [Signature]
Name: Mark Davis
Its: General Partner

SATO AMERICA, INC.,
a California corporation

By: _____
Name: _____
Its: _____

SIGNATURES CONTINUED ON NEXT PAGE

Add Additional Signature Blocks for the Additional Owners